Supreme Court, U.S.
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No. 00-1296

In The

Supreme Court of the United States

HUNT MANUFACTURING CO.,

Petitioner,

v.

FISKARS, INC. and FISKARS OY AB,

Respondents.

On Petition For A Writ Of Certiorari To The United States Court Of Appeals For The Federal Circuit

PETITIONER'S REPLY TO RESPONDENTS' BRIEF IN OPPOSITION TO PETITION FOR A WRIT OF CERTIORARI

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This case involves the same question as that raised in *Warner-Jenkinson Co. v. Hilton Davis Chemical Co.*, 520 U.S. 17 (1997): what to do when a patentee is unable to explain the reason for a patent claim amendment. *Warner-Jenkinson* answered this question clearly; prosecution history estoppel bars infringement with respect to that claim amendment under the doctrine of equivalents. The problem is that both the district court and the Federal Circuit have refused to accept this Court's answer and have instead taken a path diametrically opposed to the one chosen by this Court.

Respondents assert that the "decision below is in complete accord with *Warner-Jenkinson*." Res. 6. A step-by-step analysis of *Warner-Jenkinson* shows otherwise.

Warner-Jenkinson established the methodology for determining the scope of the doctrine of equivalents in a situation where a claim amendment has been made during the prosecution of the patent:

1. The patent file history is examined to determine if it reveals the reason for the amendment; if it does not, the *Warner-Jenkinson* presumption applies;

2. Despite the lack of a discernable reason for an amendment in the record, the **patent holder** is given an opportunity to establish the reason for the amendment;

    a. if the patentee establishes the reason for the amendment, then **the court** decides whether the reason is sufficient to overcome prosecution history estoppel as a bar to the application of the doctrine of equivalents; in other words, the court

will take the reason given by the patentee and evaluate the scope of any estoppel in view of that reason; or

b. if the patent holder **cannot** establish a reason, the court must conclusively presume that the patent applicant had a substantial reason related to patentability for including the limiting element added by amendment; in such circumstances, prosecution history estoppel bars the application of the doctrine of equivalents as to that element.

Respondents cannot deny that the *Warner-Jenkinson* presumption must arise in the present case. Respondents acknowledge that the *Warner-Jenkinson* presumption "arises when the prosecution history 'does not reveal' the reason for an amendment. . . . " (Res. 8, citing *Warner-Jenkinson*.)

In the present case the district court plainly found: "[t]his patent history gives no indication why Plaintiffs amended claim 1 by substituting 'carriage assembly' for 'cutting blade.' " (App. 50a). Thus, under *Warner-Jenkinson*, the presumption arises in the present case; the Respondents make no argument to the contrary.

Respondents must also agree that they did not rebut the presumption. After evaluating the extrinsic evidence submitted by Fiskars, the district court observed an "inability" on Fiskars' part to "demonstrate exactly why they adopted this amendment. . . . " (App. 52a).[1] Respondents could not show why the amendment was made,

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[1] As is now clear from *Festo*, the District Court should not even have considered extrinsic evidence. *Festo Corp. v. Shoketsu*

and thus failed to rebut the *Warner-Jenkinson* presumption.

It is at this critical point that both the district court and the Federal Circuit went significantly astray of the law. Instead of stopping the analysis and applying the unrebutted *Warner-Jenkinson* presumption, the district court refused to apply the presumption. The district court and the Federal Circuit justify the refusal based on the determination that the amendment did not distinguish over the cited prior art. App. 51a-52a. Respondents cite to this determination in arguing that the district court "properly concluded that the presumption was rebutted. . . . " (Res. 8).

Respondents are wrong for two reasons. First, under *Warner-Jenkinson*, a patentee's failure to explain an amendment ends the question – prosecution history estoppel applies. If the patentee cannot explain the reason for the amendment, as was the case here, the court should not become an advocate for the patentee and develop its own explanations for the amendment.

Second, even if courts were permitted to act as advocates for the patentee, it would be improper to rebut the presumption by merely finding that the amendment does not address the examiner's rejection. The presumption arises in the first place because the amendment does not distinguish over the cited prior art. It is illogical to use this same fact to rebut the presumption – yet that is

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Kinzoku Kogyo Kabushiki Co., Ltd., 234 F.3d 558, en banc (Fed. Cir. 2000).

precisely what the district court and the Federal Circuit have done in this case.

Petitioner acknowledges that, absent any directives to the contrary, the issue raised by Respondents (i.e., is the absence of a reason equivalent to a reason?) could lead to intellectually stimulating discussions about paradox and logic. However, this Court astutely recognized in *Warner-Jenkinson* the possibility of this issue and ended discussion on the issue **before** it arose:

> "In our view, holding that certain reasons for a claim amendment may avoid the application of prosecution history estoppel is not tantamount to holding that the *absence* of a reason for an amendment may similarly avoid such an estoppel."

Warner-Jenkinson, 520 U.S. at 33 (emphasis in original).

The logic of this conclusion is simple. The very purpose in requiring the patentee to come forward with a reason for the amendment is to give the court a "tool" that it can use to determine the scope of any estoppel that the amendment might raise. This is fully explained in Petitioner's Petition (App. 8-13) and need not be repeated here. What needs to be emphasized is that, after all the protestations of Respondents, and after all the district court analysis, and after all the Federal Circuit analysis, *the reason for the amendment remains unknown*. Therefore, no court has ever had before it a reason that could be used to determine the scope of the estoppel.

To make matters worse, going forward in spite of *Warner-Jenkinson* and lacking the "tool" that *Warner-Jenkinson* required to determine the scope of the estoppel,

the district court found that the scope of the estoppel would be **zero**. In direct contravention of *Warner-Jenkinson*, the district court allowed the consequences of the Respondents' ambiguity to fall on the Petitioner and thus the public at large, instead of on the Respondents/patentee. This is diametrically opposed to the intent of this Court as expressed in *Warner-Jenkinson*.

In *Warner-Jenkinson*, this Court noted that "[b]ecause respondent has not proffered in this Court a reason for the [claim amendment], it is **impossible** to tell whether the reason for that amendment could properly avoid an estoppel." *Id.* at 34 (emphasis added). This Court then remanded the case to the Federal Circuit to "consider whether reasons for that portion of the amendment were offered or not and whether further opportunity to establish such a reason would be proper." *Id.*

Having had the benefit of the *Warner-Jenkinson* decision for guidance, the Respondents herein had every opportunity to proffer their reasons; they simply failed to do so. Without any reason for the amendment, the district court should have found that it was "impossible to tell whether the reason for that amendment could properly avoid an estoppel." *Id.* Instead, the district court arbitrarily concluded that there was **no** estoppel. *Warner-Jenkinson* forbids this conclusion.

Tellingly, Respondents do not distinguish the present situation from the situation anticipated by this court in *Warner-Jenkinson*, because they cannot do so.

Unable to distinguish the present situation from the situation anticipated by this Court unanimously in

Warner-Jenkinson, Respondents instead attempt to circumnavigate Petitioner's argument by asserting that the rule of *Warner-Jenkinson* should not be applied as to patent applications that were prosecuted prior to the *Warner-Jenkinson* ruling. Respondents cite to the "cautionary note" of Justice Ginsburg, joined by Justice Kennedy, in a concurring opinion which did not form a part of the unanimous opinion in *Warner-Jenkinson*. (Res. 9).

The potential problem raised by Justice Ginsburg's has not materialized; indeed, the two patents-in-suit in *Festo* issued more than 15 years prior to this court's decision in *Warner-Jenkinson* and yet the Federal Circuit fairly and appropriately applied the *Warner-Jenkinson* rule with respect to the prosecution of these patents.

Respondents make other arguments in their brief; these arguments can be characterized as perfunctory at best and merely divert the Court's attention to ancillary and, with respect to this case, irrelevant issues, instead of on the rule of law set forth in *Warner-Jenkinson*. Fiskars asserts that Petitioner's Question 2 is a "hypothetical question not raised by the record in this case," stating that the claim amendments at issue "were not made in response to a prior art rejection" and that the district court did not base its rejection of prosecution history estoppel "exclusively on a conclusion that the added claim element does not distinguish the prior art." (Res. 4-5).

The Examiner rejected all claims in an August 26, 1993 Office Action (App. 35a). The claims were rejected based upon two patents. (App. 35a). On November 11, 1993, Fiskars filed a "**Response** and Amendment". This

"response" created the claim amendment now at issue. The amendment was a "response" to the rejection - nothing could be plainer.

In any event, the *Festo* decision makes this issue irrelevant. Under *Festo*, voluntary claim amendments, that is, amendments not made in response to a rejection, are treated the same as other amendments.

It is relevant, however, that the decisions below applied a definition of patentable purpose that is inconsistent with the definition established in *Festo*. In *Festo*, the Federal Circuit held that prosecution estoppel can arise "from *any* reason which relates to the statutory requirements for a patent," including 35 U.S.C. §§ 101, 102, 103 and 112. *Id.* at 566 (emphasis in original).

Respondents cite repeatedly (Res. 3, Res. 5 (twice), Res. 7, Res. 11) to the phrase used by the district court that the claim amendment in the present case was "not to avoid prior art *or for any other patentability consideration*" as an indication that the trial court applied a proper *Festo* definition of patentability. Rather than supporting Respondents' argument, this statement actually proves that an improperly narrow definition of patentability was used by the district court and by the Federal Circuit.

The district court said that the amendment was not made for "any other patentability consideration" but in fact only evaluated the amendment for its ability to distinguish over the prior art cited by the examiner.

Neither the district court nor the Panel evaluated the amendment from the perspective of 35 U.S.C. §§ 101 or 112.

The record is clear – the district court based its decision exclusively on a conclusion that the added claim element does not distinguish the cited prior art under 35 U.S.C. § 103. There is no analysis of any other statutory provision.

The Panel also clearly understood that the district court considered patentability to be limited. The Panel held that "the amendment substituting 'carriage assembly' for 'cutting blade' was not directed to distinguishing the claims from the cited references, *and thus* that the amendment was not made for reasons of patentability." App. 6a-7a (emphasis added). It is clear that both the district court and the Panel improperly limited "patentability" reasons to distinguishing the claims from the cited references.

Finally, Respondents argue that the Federal Circuit has already considered this case in light of *Festo*. First, *Festo* was not decided at the time this case was decided and thus could not have served as precedent in the present case. Further, as acknowledged by Respondents, the Federal Circuit analyzed the trial record and concluded that the district court "looked only at whether the claim amendment distinguished the prior art cited by the patent examiner" (Res. 5). Had *Festo* been decided at the time the present case was decided, the Federal Circuit would have had to look at more than just prior art issues respecting the claim amendment.

The above facts *highlight* the importance of, at a minimum, vacating and remanding the Panel Decision, with instructions to establish whether the amendment was not made for "*any* reason which relates to the statutory requirements for a patent" (*Festo* at 566 (emphasis in original)).

Respectfully submitted,

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